

# Remuneration, People and Culture Committee Charter

ImpediMed Limited (ACN 089 705 144) (**Company**)

Adopted by the Board on 19 November 2024

## 1. Introduction

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The purpose of this Remuneration, People and Culture Committee Charter is to specify the authority delegated to the Remuneration, People and Culture Committee (**Committee**) by the Board of Directors of the Company (**Board**) and to set out the role, responsibilities, membership and operation of the Committee.

The Committee is a committee of the Board and is authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this charter and granted to it under any separate matters granted to it by the Board from time to time. Whilst granting this power, the Board retains overall responsibility for the functions delegated by it to the Committee.

## 2. Role of the Committee

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### 2.1 People and culture

- (a) (**culture**) review and oversee the Company's key people and organisational culture strategies and their alignment with the Group's overall strategy and vision.

### 2.2 Talent and succession planning

- (a) (**appointments - CEO**) recommend to the Board the appointment of the Chief Executive Officer (**CEO**);
- (b) (**appointments – senior executives**) approve the appointment of the CEO's direct reports and the general terms of their employment contracts, including any termination payments;

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- (c) **(succession plans - Board)** reviewing the composition of the Board and being conscious of each Director's tenure, to maintain an appropriate balance of skills, experience, expertise and gender diversity, and making recommendations to the Board in relation to these matters;
- (d) **(succession plans - executives)** oversee the succession plans and processes for the CEO, direct reports to the CEO, and other key leadership roles, and review the pool of internal candidates to fill these positions; and
- (e) **(talent management)** review talent management within the Company generally.

#### 2.3 Remuneration policies and practices

- (a) Oversee and advise the Board on remuneration policies and practices and ensure these:
  - (i) enable the Company to attract and retain high quality directors, and attract, retain and motivate senior executives, with the expertise to enhance the performance and growth of the Company's values and risk appetite, by providing remuneration packages that are equitable and externally competitive;
  - (ii) clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives;
  - (iii) seek to ensure that the level and composition of remuneration packages are fair, reasonable and responsible having regard to the performance of the Company and the relevant director, executive or employee without rewarding conduct that is contrary to the Company's values or risk appetite, and in the case of non-executive directors, do not conflict with their obligation to bring an independent judgement to matters before the Board;
  - (iv) identify if there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees; and
  - (v) comply with relevant legal requirements.

#### 2.4 Remuneration matters

- (a) The Committee is responsible for developing, reviewing and making recommendations to the Board on:
  - (i) **(directors' fees)** the ongoing appropriateness and relevance of the remuneration framework for the Chair and the non-executive directors, including the process by which any pool of directors' fees approved by shareholders is allocated to directors;
  - (ii) **(minimum shareholding)** periodically review the policy and practices regarding the minimum shareholding for directors and senior executives, ensure the detail of the policy is disclosed in the remuneration report, and review the progress towards meeting the

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- minimum shareholding requirement;
  - (iii) **(senior executives)** the total remuneration packages for the CEO and senior executives who are direct reports to the CEO, and any other senior management positions that may be added from time to time, (including base pay, incentive payments, equity based awards, superannuation and other retirement rights, employment contracts), any changes to remuneration packages and recommending proposed awards after performance evaluation procedures;
  - (iv) **(policies)** the Company's recruitment, retention and termination policies for the CEO and senior executives and any changes to those policies;
  - (v) **(incentive schemes)** incentive schemes, if appropriate, for the CEO and senior executives;
  - (vi) **(equity-based)** equity-based remuneration plans, if appropriate for the CEO, senior executives and other employees; and
  - (vii) **(superannuation)** superannuation arrangements for directors, senior executives and other employees.
- (b) The Committee is also responsible for monitoring and providing input to the Board regarding:
- (i) **(updates)** legislative, regulatory or market developments likely to have a significant impact on the Company and legislative compliance in employment issues;
  - (ii) **(Company trends)** the remuneration trends across the Company, including
    - (A) the trends in base pay for senior management relative to that of all Company employees; and
    - (B) remuneration by gender; and
  - (iii) **(benefits)** major changes to employee benefits structures in the Company.

#### 2.5 Incentive schemes and equity-based remuneration

For any incentive schemes or equity-based plans which are adopted, the Committee is responsible for:

- (a) **(reviewing)** reviewing their terms (including any eligibility criteria and performance hurdles);
- (b) **(performance hurdles)** reviewing and being comfortable that incentive schemes or equity-based plans are designed around appropriate

performance benchmarks and ensuring that the performance-based component of each executive remuneration package must be clearly linked to specified performance targets. These targets should be aligned with the Company's short and long-term performance objectives and should be appropriate to its circumstances, goals, values and risk appetite;

- (c) **(administration)** overseeing their administration (including compliance with applicable rules that restrict participants from hedging the economic risk of their security holdings) and disclosing its policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme;
- (d) **(shareholder approval)** considering whether shareholder approval is required or desirable for the schemes or plans and for any changes to them;
- (e) **(payments and awards)** ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval; and
- (f) **(recommendations)** making recommendations to the Board in relation to the above.

## 2.6 Structure of remuneration

In fulfilling these responsibilities, the Committee will seek to ensure that:

- (a) **(alignment)** the remuneration structure for senior executives and the organisation as a whole is aligned with the Company's purpose, values, risk appetite and strategic objectives;
- (b) **(distinguishing structures)** a clear distinction is maintained between the structure of non-executive directors' remuneration and that of executive directors and senior executives;
- (c) **(linking rewards)** a proportion of executive directors' and senior executives' remuneration is structured in a manner designed to link rewards to corporate and individual performance (reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals) and promotes behaviour in line with the Company's values;
- (d) **(remuneration consultant)** any engagement of a remuneration consultant is approved by the Board or the Committee, the remuneration consultant is reviewed by the Board or the Committee periodically and no longer than every 3 year's, and the remuneration consultant must report its recommendation directly to either or both of the members of the Board (other than an executive director) or members of this Committee;
- (e) **(no influence)** the Committee and the Board are satisfied with the

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arrangements put in place to ensure that any remuneration recommendation made by the remuneration consultant is made free from undue influence from any member of the key management personnel to whom the recommendation relates; and

- (f) **(providing information)** the Committee will provide the Board with information sufficient to ensure that the Board makes an informed decision in relation to the Committee's recommendations;
- (g) **(superannuation)** recommendations are provided to the Board with respect to superannuation arrangements;
- (h) **(termination payments)** advice and recommendations are supplied to the Board on the Company's termination and redundancy policies and the payments made to outgoing executive directors and Senior Executives. The Committee should ensure that termination payments:
  - (i) are fair to the individual and the Company;
  - (ii) do not reward failure or misconduct; and
  - (iii) comply with the requirements of the *Corporations Act 2001* (Cth).

#### 2.7 Annual performance review

- (a) **(assessing performance – executives)** oversee the annual performance review of the CEO and the direct reports to the CEO.

### 3. Reporting and Disclosure

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#### 3.1 Reporting to the Board

The Committee must report to the Board, at the first Board meeting subsequent to each Committee meeting, regarding the proceedings of each Committee meeting, the outcomes of the Committee's reviews and recommendations and any other relevant issues. Such reports must include detailed disclosure of executive remuneration policies which are subject to an advisory vote by shareholders.

In complying with the 'Two-Strikes Rule', the Committee must provide guidance to the Board on remuneration strategy, particularly where there has been a 'first strike' against the Company's remuneration report upon being put to a meeting of shareholders

#### 3.2 Annual report

The Committee will liaise with the Audit and Risk Management Committee in relation to the Company's remuneration-related reporting in the financial statements and remuneration report required by the *Corporations Act 2001* (Cth).

The Committee is responsible for the review of the remuneration report containing

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information on the Company's remuneration policy, practices, remuneration of non-executive directors, executive directors and other key management personnel and subsequent recommendation to the Board of its adoption.

The Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance statement, which relate to the Company's remuneration, culture and values.

The Committee will seek to ensure that all applicable governance, accounting and legal requirements regarding disclosure of remuneration, in all forms, are complied with.

The Committee chair will attend the Company's annual general meetings prepared to respond to any shareholder questions on remuneration matters and the Committee's activities.

## **4. Membership**

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### **4.1 Composition and size**

The Committee shall consist of at least three members, a majority of whom are independent, non-executive directors. The Board reserves the right to appoint external advisors to this Committee.

The Company will disclose the relevant qualifications and experience of the members of the Committee.

Each member must be free from any interest, business or other relationship which, in the opinion of the Board, could, or could reasonably be perceived to, materially interfere with the exercise of his or her independent judgment as a member of the Committee.

Each member is expected to possess adequate remuneration, regulatory and industry knowledge to carry out his or her responsibilities as a member of the Committee.

The term of service of Committee members will be reviewed by the Board at least annually with a view to rotating members periodically, but without losing the continuity of experience and knowledge gained by the members of the Committee.

If a member of the Committee retires, is removed or resigns from the Board, that member ceases to be a member of the Committee. The Board will appoint the successor.

### **4.2 Chair**

The Chair of the Committee shall be an independent non-executive director. The Chair of the Committee will be appointed by the Board. If, for a particular Committee meeting the Committee Chair is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chair for that meeting.

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#### 4.3 Company Secretary

The Company Secretary of the Board shall be the Company Secretary of the Committee.

## 5. Committee Meetings and Process

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### 5.1 Meetings

The Committee will meet as frequently as required to perform its functions, but not less than twice per year. The chair must call a meeting of the Committee if requested by any member of the Committee, the external auditor or the Chair of the Board.

### 5.2 Quorum

Two members of the Committee constitute a quorum for meetings of the Committee.

### 5.3 Attendance by management and advisers

The Committee Chair may invite the CEO, other senior executives, directors who are not members of the Committee and external advisers to attend meetings of the Committee.

The annual report for a relevant financial year will disclose the number of times the Committee met throughout the year and the individual attendance of each member of the Committee at those meetings.

### 5.4 Conflicts

No member of the Committee will participate in the determination of their own remuneration or the specific remuneration policies that are applicable to them, with the exception of the Company's remuneration framework for directors, including the process by which any pool of directors' fees approve by shareholders is allocated to directors.

### 5.5 Notice, agenda and papers

Unless otherwise agreed or considered necessary by the Chair, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting papers, will be circulated by the Company Secretary to each Committee member and any other individual invited to attend, not less than three business days before the meeting. Copies of the Agenda and supporting papers are also to be circulated to all Board members.

### 5.6 Minutes

The Company Secretary will keep minutes to record the proceedings and resolutions the Committee meetings.

The Chair of the Committee, or delegate, will report to the Board after each Committee meeting.

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The Committee must refer any matter of significant importance to the Board for its consideration and attention.

#### **5.7 Access to information and advisers**

The Committee has direct and unlimited access to all resources necessary to discharge its duties and responsibilities. This may include requesting management or engaging external remuneration consultants, to provide information to the Committee.

The Committee also has the authority to conduct or direct any investigation required to fulfil its responsibilities.

#### **6. Committee's Performance Evaluation**

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The performance of the Committee will be reviewed annually, or earlier if circumstances dictate. The performance evaluation will have regard to the extent to which it has met its responsibilities in terms of this charter.

#### **7. Review and Publication of Charter**

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The Committee will review this charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities, and it can be amended by resolution of the Board.

This charter will be available on the Company's website and the key features will be published in the Corporate Governance Statement.